

LOGISTICS IN A SUPPLY CHAIN OPERATING NETWORK

AN INTERVIEW WITH
CINDI HANE

© 2015 Elemica, Inc. · elemica.com



CINDI
HANE



ED
RUSCH

Cindi Hane, VP of Product Management, is interviewed by Ed Rusch, VP of Marketing, about innovative ways companies are using logistics networking strategies to achieve their goals. By using a Supply Chain Operating Network (SCON) to close the gap on logistics information sharing, companies are able to accelerate the cash-to-cash cycle and achieve end-to-end visibility in their supply chains. Learn why a powerful B2B Network platform, along with business process enablement apps and actionable analytics, is the recipe to ensure success. The challenges of proof of delivery, VAT regulations, and inventory control at trans-shipment points are shared as examples.

Ed

Cindi, as our product manager for logistics, you're in the logistic space; you really have a pulse of what's going on in the markets. What sort of challenges are you seeing our customers trying to address right now?

Cindi

One of the things I'm seeing a lot of lately on both sides of the pond, both in Europe and in North America, has to do with proof of delivery. It's interesting to me that even in this stage of our technological innovation, companies are still struggling with getting that true, authenticated proof of delivery that their shipments made it to their customers. I hear stories from our shipper customers where their customers are telling them when the carrier has arrived to deliver their goods because they're not getting that information directly from carriers. So one of the things that we're working on is to use the Supply Chain Operating Network as a platform to be able to get the data from carriers in a multitude of different ways, including your traditional EDI, but also onboard computers and being able to scan and sign documents and upload them and that kind of thing, so using the Supply Chain Operating Network as a way to close that gap.

Ed

What's fundamentally driven this as a priority?

Cindi

There's a use case in Europe that I alluded to earlier as being very interesting, and that is the European Union has implemented regulations for VAT refunds. So if a shipper is shipping goods outside of their country of origin, then they can get VAT relief for those goods, but only with this regulation if they've proven that the goods have actually been exported. Germany has been the first country to enhance that regulation and we've got customers looking at our solution to use carrier data and carrier information about the delivery to confirm that those arrivals have actually occurred in the country outside of the origin.

Ed

To get this pervasive visibility into delivery, you need to address the long tail. What's different today to allow them to really achieve that critical mass of connectivity across the long tail that we may not have seen before?



Cindi

What's really important is that we've been able to reduce the incremental cost of automation, and we've been able to do that by first of all being very flexible or agnostic with regard to any particular standard. We can turn that model on its ears so we're not just looking at any particular standard. We can take any standard message. But also look at other means for acquiring that data, so telemetry and information from mobile devices. So being able to not just focus on EDI, but look across all connectivity options and be able to take the data from a variety of different methods and pulling that into the Supply Chain Operating Network.

Ed

What other challenges are those technologies addressing that you're seeing today in logistics?

Cindi

Some other customers of ours are really looking at the network that they have of logistics providers, for example, third-party warehouses or terminals who are shipping products on their behalf to customers. Often they can be quite small operations, so they don't have the level of technological sophistication that maybe some of the larger 3PLs would have. What's happening is they're still using manual methods to communicate back to the shippers when something is shipped. Well, the delay between them providing that notification and the shipper being able to issue that release of those goods in their system can be more than a couple of days.

If you can eliminate that delay, that means as a shipper you can invoice your customers faster, which means you can accelerate your cash-to-cash cycle. So that's another area that we're seeing that again; the Supply Chain Operating Network is a beautiful model for it because it allows you to create a network of all of your partners interacting with the system and providing you the data in an automated, real-time manner and in exactly the way that you need it for your systems.

Ed

You're talking to our customers. Our customers are process-industry type of customers. What are they telling you when you're engaging them with regards to, "Boy, if I could only have this. These are some of the specific solutions I'm really looking for that'll transform my business."?

Cindi

One of the things that we've seen more of lately is companies really wanting to get complete transparency to the visibility of their shipments, so going away from just looking at solutions that are going to lower their freight cost into solutions that are going to truly give them the visibility for the end-to-end process. This is especially important for global transportation when shipments go through several different trans-shipment points and can have delays associated with the handoffs at those points. We've really seen an uptick, and customers saying, "If I could get better control and visibility over these long, protracted supply chains, then I can use that visibility to better manage my inventory." And again it comes back to now it's an order-to-cash, cash-to-cash cycle advantage as opposed to simply removing cost from the freight budget.





To access other interview PDFs, video content and more, go to:

www.ElemicaBlueCrew.com

www.ElemicansInCars.com

You can also visit our Resources page at:

www.elemica.com/resources





Global Headquarters | Wayne, Pennsylvania

550 E Swedesford Road
Suite 310
Wayne, PA 19087 USA
Phone: +1 610 786 1200
Fax: +1 610 786 1240

Elemica | Frankfurt, Germany

5th Floor
Herriotstraße 1
60528 Frankfurt am Main, Germany
Phone: +49 69 66123 0
Fax: +49 69 66123 200

Elemica | Tokyo, Japan

KY Kojimachi Building 1F
5-4 Kojimachi Chiyoda-ku
Tokyo, Japan 102-0083
Phone: +81 3 3238 5721

Elemica | Atlanta, Georgia

780 Johnson Ferry Road
Suite 400
Atlanta, GA 30342 USA
Phone: +1 678 514 3700

Elemica | London, United Kingdom

180 Piccadilly
London, UK
W1J9HF
Phone: +44 20 7917 2816

Elemica | Singapore

9 Battery Road
#11-01, Straits Trading Building
Singapore 049910
Republic of Singapore
Phone: +65 6597 0964

Elemica | Amsterdam, The Netherlands

Building Officia I
De Boelelaan 7, 7th Floor
1083 HJ Amsterdam, The Netherlands
Phone: +31 20 504 1500
Fax: +31 20 504 1501

Elemica | Seoul, Korea

Floor 10, Jarim Building, Suite #1015
566 Dohwa-dong
Mapo-gu, Seoul 121-815
Korea
Phone: +82 2 561 0825

